



Buying or selling a business

Complete transfer of Indiana operations--IC 22-4-7-2(a)

If you are a new employer to the State of Indiana, or if you are already paying Indiana SUTA, and you:

1. Acquire (purchase, lease, or take control of) substantially all the assets of an Indiana operation, which results in the continuance of an organization, trade, or business; or
2. Were issued a new federal identification number, merged, incorporated, or reorganized your business in any manner,

You immediately qualify for SUTA coverage and assume the tax position of the previous owner/dispenser. The acquirer receives the experience account balance and tax rate of the previous owner and is entitled to consider the wages previously reported by the dispenser when computing the \$7,000 tax base per employee, per calendar year of those employees retained by the new owner.

Any outstanding tax liabilities are also carried forward from the previous owner to the new owner.

The Successor/acquirer must complete State Form 2837, Report to Determine Status, and the Predecessor/dispenser must complete State Form 46799, Report of Transfer – Complete Sale.

Partial transfer of Indiana Operations-IC 22-4-7-2(b)

If you purchased a distinct and segregable portion of an organization, trade, or business and retained employees of the business, you will be entitled to consider the wages reported by the previous owner/dispenser when computing the \$7,000 tax base per employee, per calendar year.

The previous owner/dispenser must transfer part of the experience balance and the rate of their account to the successor/acquirer. This must be done within thirty (30) days from the date of disposition, or not later than ten (10) days after notification from this **agency**.

Complete State Form 23299 (Report of Transfer-Partial Sale). Failure to complete this form will result in a departmental decision of a flat 50% percent to be transferred to the acquirer's experience balance.

If the transfer occurs during a calendar quarter, two quarterly reports must be filed: one report for wages paid by the Predecessor/dispenser, from the first date in the quarter until the date of disposition; the UC-1/5 and liability are due immediately following the disposition date. The Successor/acquirer files the UC1/5 from the date of disposition to the end of the quarter on the due date of 30 days after the quarter.

If the successor/acquirer has an existing account with DWD, the successor/ acquirer's merit rate will be retained for the calendar year of the acquisition.

The forms may be found on the DWD Web Site, <http://www.in.gov/dwd>